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SENSITIVE

MEMORANDUM

June 14, 2006

TO:

The Commission

THROUGH: Robert J. Costa

Acting Staff Director

FROM:

Allan D. Silberman

Director, ADR Offic

BY:

Lynn M. Fraser

Assistant Director, ADR Office

SUBJECT:

ADR 310 Minnesota Democratic Farmer Labor Party and

Kerry Gautier, Treasurer,

Recommendation to Approve Settlement Agreement

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 310 (RAD 06L-05). This case was opened on February 3, 2006, and was assigned to the ADR Office on March 16, 2006.

SUMMARY: RAD referred the Minnesota Democratic Farmer Labor Party and Kerry Gautier, Treasurer, ("Respondents" or the "Committee") for failing to disclose all financial activity. Specifically, the Committee filed an amended 2005 March Monthly Report to disclose additional receipts totaling \$59,277.41 on May 16, 2005. Respondents filed the original 2005 March Monthly Report that disclosed no receipts on Line 18(a) (Transfers from Non-Federal Account for Allocated Activity) on March 18, 2005. The Committee filed an amended 2005 March Monthly Report that disclosed no change in the amount of receipts obtained by the Committee on April 18, 2005. The second amended 2005 March Monthly Report, filed on May 16, 2005, disclosed additional receipts on Line 18(a) of \$59,277.41.

Respondents filed a miscellaneous electronic text message, in response to a RFAI sent to the Committee, stating the transfers, disclosed on Line 18(a) of the

amended report, were discovered during the reconciliation of the Committee's bank account. Respondents' electronic message also indicated that the reconciliation had not been completed at the time the Committee filed the original 2005 March Monthly Report.

RECOMMENDATIONS:

- 1. Approve the attached settlement agreement of Minnesota Democratic Farmer Labor Party and Kerry Gautier, Treasurer.
- 2. Approve the appropriate letters.
- 3. Close the file on this matter.